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#### THE WHITE HOUSE

#### WASHINGTON

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#### MEMORANDUM OF CONVERSATION

PARTICIPANTS:

Ch'iao Kuan-hua, Vice Foreign Minister of the PRC Huang Hua, PRC Permanent Representative to the United Nations

Chi Tsung-chih, Deputy Director, West European Department, PRC Ministry of Foreign Affairs

Chang Han-chih, Deputy Director, Asian Department, PRC Ministry of Foreign Affairs (Interpreter)

Kuo Chia-ting, Second Secretary at the PRC Mission to the U.N. (Notetaker).

Henry A. Kissinger, Secretary of State
Philip Habib, Assistant Secretary of State for East
Asian and Pacific Affairs

George Bush, Chief-Designate of the United States
Liaison Office in Peking

Winston Lord, Director, Policy Planning, Department of State

Arthur W. Hummel, Jr., Deputy Assistant Secretary of State for East Asian and Pacific Affairs

Richard H. Solomon, Senior Staff Member, National Security Council

DATE, TIME, AND PLACE: October 2, 1974, 8:15 - 11:35 p.m. Secretary's Suite, Waldorf Towers, New York City

SUBJECT:

Secretary's Dinner for the Vice Foreign Minister of the People's Republic of China

(The evening began at 8:15 as the Chinese were escorted into the Secretary's living room for informal discussion and drinks before dinner.)

Vice Foreign Minister Ch'iao: We are late.

Ambassador Huang: The car came on 57th Street and the traffic was bad.

(At this point photographers entered the room to take pictures.)

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Secretary Kissinger: My Chinese is getting better. We can't smile; we are mad at each other. (Laughter)

I must say the Vice Foreign Minister fired full cannons today [in his General Assembly speech], no empty cannons.

Vice Foreign Minister Ch'iao: I suppose what I said you had already anticipated?

Secretary Kissinger: No. You are establishing a degree of equivalence between us [the U.S. and the Soviet Union].

Vice Foreign Minister Ch'iao: No, this is wrong. If you study the speech more carefully ...

Secretary Kissinger: We'll have to study it more carefully.

Vice Foreign Minister Ch'iao: It [the characterization of the U.S. and the Soviets in the speech] was like that in the past. I feel this speech was more unequal than in the past.

Secretary Kissinger: I want the Vice Foreign Minister to understand that we appreciate equal treatment, but not on all occasions. (Laughter)

Vice Foreign Minister Ch'iao: We both speak with touches of philosophy, so our speeches are not easy to understand.

Secretary Kissinger: I don't say there was full equivalence, but more so than in the past. But this is a compliment to you. Of all the General Assembly speeches, I read only yours.

Vice Foreign Minister Ch'iao: I also can tell you that yours was studied most carefully -- although I was not here when you delivered it.

Secretary Kissinger: Mine did not touch on China.

Vice Foreign Minister Ch'iao: I know. That was also the case in the past. As for myself, I have to give you some criticisms. If I don't, then I'm not on good grounds for criticizing our neighbor [the Soviet Union].

Secretary Kissinger: I just want you to know that we won't feel neglected if you don't. (Laughter)

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Vice Foreign Minister Ch'iao: The day before yesterday I met Ambassador Malik. He said he would come to hear my speech. I replied, "You can't run away." So today he just threw a copy [of the speech] down on the table.

Secretary Kissinger: I was worried that I didn't go to his reception, as I went to yours. However, Malik solved my problem as he came to yours.

Vice Foreign Minister Ch'iao: Yes. I recall that last night the three of us sat in a triangle, in a circle. You can draw the circle in many ways.

Secretary Kissinger: But it still comes out the same. We keep it constant; it comes out the same.

Vice Foreign Minister Ch'lao: Well, but frankly, since we met last April there have been many changes.

Secretary Kissinger: Before we get to these, there is one aesthetic point I wanted to raise. You said we overthrew the government in Cyprus. We did not. We did not oppose Makarios. It would serve no political purpose for us [to have overthrown him]. The only problem is that his talents are greater than the island he runs. But that's a vice of most Greek politicians. Basically this is just for your information — it is not an important point. This was not an event which we desired. Once it happened, our basic desire was to keep the Soviet Union out, not to permit them to undermine the situation. I liked your description of their policy [in the G. A. speech] very much.

Vice Foreign Minister Ch'iao: Speaking of the Cyprus events, I have one question. You surely knew something of the situation before the event. Why didn't you take steps to prevent it? In our view it was a stupid event.

Secretary Kissinger: Yes. If I get you to come and visit Washington I could explain our system of government. (Laughter) There are many intelligence reports which float around, but if no one brings them to me I assume they do not exist. I can assume that a subordinate will leak to the press one I do see. What they don't leak are the ones I do not sec.

When the coup occurred I was in Moscow. My people did not take these intelligence reports seriously as such reports had been very numerous in the past. Every three months there was a rumor of a possible coup. An intelligence officer even told Makarios about these rumors, but he

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didn't believe them. He was away on a weekend holiday. If I had known about the report, I would have stopped it [the coup]. Once the coup occurred, I assumed that Turkey would intervene, as there was no government in Cyprus and Greece was unstable. Our press is violently anti-Greece. They were criticizing us [for our attitude on Greece]. The reason I didn't criticize Sampson was that we assumed we could get rid of him in any 36-hour period. But we knew that the Soviets had told the Turks to invade. We didn't want them [the Soviets] to have any other excuse to involve themselves in the situation. But the "Second World" in Europe, and the American press, kept egging on the Turks.

So it is an unfortunate situation, but it will come out all right. The Soviets can't do anything for either party. We will move to a settlement in a few weeks once the Greeks calm down.

Actually our problem is in claming down the Greek population in the U.S. We already have the basis for an agreement with the Greeks and the Turks, but if Congress cuts off aid, then they will remove our basis for a settlement. So if you have any influence with the Congress please use it. (Laughter) Fortunately there are more Chinese here than Greeks. They have better discipline.

Vice Foreign Minister Ch'iao: Well, it really was a bad situation at the beginning, after things first happened. As for the situation later, we can't criticize you.

Secretary Kissinger: I agree, the beginning was bad. But later it became better. The worst thing that the Chinese can say about a person is that he is stupid. (Laughter)

Vice Foreign Minister Chiao: Since you have contacts with the two sides, what do you think about the question of the withdrawal of Turkish troops? Will they make a demonstration of good will?

Secretary Kissinger: As I know that you don't leak to the press (Ch'iao: On that you can rely.) I will tell you. It is really contingent on our Congress. While I am on my Middle Eastern trip I will go to Ankara. While I am in Ankara the Turks will make a gesture of good will -- like withdrawing five to seven thousand troops, or withdrawing from some territory. Then we will ask Clerides and Denktash to agree to principles for a political dialogue, for political talks. These principles essentially

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have been agreed to already. The Greek government will then express approval that political talks are starting. Then, nothing will happen until after November 10, which is the date of the Greek elections. They don't want anything to happen before then. After the election, we will put the issue in a larger framework, one which will solve such questions as territorial rights in the Aegean Sea, etc. This is all agreed to, but our Congress may upset these plans. If these maniacs will only leave the situation alone! I'm convinced that eighty percent of the madmen in the world live in the Eastern Mediterranean. So I can't be sure [of the outcome of the situation].

(At this point in the conversation, at 8:40 p.m., the living room conversation broke up and the group resumed the discussion at the dinner table.)

Secretary Kissinger: We have a number of new friends here tonight.

Ambassador Habib is our new Assistant Secretary for East Asia. Of
course you know George Bush. (Ch'iao: Our old friend.) He may not be
used to the frankness with which we discuss issues. (Laughter) I always
tell our Chinese friends the outlines of our policies. There have been no
disappointments thus far. It is so rare to meet officials who understand
what we are doing.

Incidentally, I joked with the Mongolian Foreign Minister that I would visit his country. He took me seriously and extended me an invitation. Should I pay his country a visit? (Laughter) Seriously, there are no U.S. interests in Outer Mongolia, other than creating a sense of insecurity in other capitals. I don't have to pursue this. I want your frank opinion.

Vice Foreign Minister Ch'iao: Considering this question, our position has been the same since the Yalta Conference. I've always told this to the Doctor. Maybe I am wrong, but you talked with Premier Chou about this.

Secretary Kissinger: Yes, but I don't know how you would view American efforts to establish relations with Outer Mongolia. I know your historical view and what it represents.

Well, I can defer a decision until a later occasion. The only reason to go is to show activity in this area. But if you object -- to a visit by me -- I won't go. Diplomatic relations, that well do. (To Ambassador Habib:) Where do we stand on this?

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Ambassador Habib: We have had no response.

Mr. Solomon: I believe their northern neighbor objects to Mongolia establishing relations with us.

Vice Foreign Minister Ch'iao: There are two aspects to the situation there. We maintain diplomatic relations [with the Mongolian People's Republic], so there is no question of law. But this is really just a puppet state. It is in a situation of being occupied. So in such circumstances you will have to decide [whether or not to visit].

Secretary Kissinger: No, I can tell you now that it won't be done.

You spoke of changes regarding Cyprus. Are there any others -- our two countries?

Vice Foreign Minister Ch'iao: Not just our two countries. Primarily I was referring to the world besides our two countries. As for changes in your country, I believe we have explained our view. This is your domestic affair, and it won't affect relations between our two countries.

Secretary Kissinger: Exactly. We will pursue the policies that we have agreed to. During the course of the evening I want to discuss some specific issues with the Vice Foreign Minister. As for the specific understandings, we will completely uphold them.

What changes do you see in the world since April?

Vice Foreign Minister Ch'iao: (Pauses to reflect on a reply.) Superfically, Cyprus was the most drastic change. But our analysis is that two areas are in upheaval: the Balkans and the South Asian subcontinent.

Secretary Kissinger: Cyprus makes much noise, but no strategic difference -- unless we are prevented by domestic developments from conducting our foreign policy. The situation will probably come out with the Turks in a slightly stronger position.

In the Balkans, do you mean pressure on Yugoslavia? (Ch'iao: Yes.)
You know that I will visit Yugoslavia in November. We told you about my
visit to the Soviet Union. From there I will go to India, Pakistan, Romania,
and Yugoslavia. So how serious do you think the pressures are on
Yugoslavia?

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Vice Foreign Minister Ch'iao: You know, that friend of ours is an opportunist. If you don't create some counter pressures they will take advantage of the situation. The situation is not as calm as it looks.

Secretary Kissinger: I agree. Especially after Tito dies. But the Soviets would not consider a move against Yugoslavia on the order of what they did to Hungary or Czechoslovakia. We would not treat such a development in the same category as Hungary or Czechoslovakia. We would take such a development with great seriousness. In fact, I plan to discuss this situation when I visit [Peking].

Vice Foreign Minister Ch'iao: I don't know how you view the situation in South Asia. Of course, we have discussed this many times.

Secretary Kissinger: I separate the strategic consideration from tactics. Our strategic analysis is the same as yours. For a "peace loving" people, the Indians create a great sense of insecurity. If they were not pacifists I would really worry about them. (Laughter) They are attempting to create a situation of great imbalance in strength with their neighbors.

They have repeatedly urged me to come for a visit. I have postponed one three times already. The general intention [of my visit] is to produce a greater degree of independence of Indian foreign policy in relation to the Soviets -- and to create some discouragement on the part of the Soviets regarding their investment in India.

Practically, what will come out of the visit? We will set up a scientific and economic commission, but there will be no American financial commitment -- other than that already in the budget. But Congress won't approve it, and we won't fight for it. (Laughter)

Ambassador Huang: Did you promise to give a certain amount of wheat to India?

Secretary Kissinger: We haven't made any promises yet. The amount we are now considering is substantially below the figures you read in the newspapers. (Mr. Lord: A half million tons.) But we haven't committed this yet. They have asked for three million tons. That is less than we are giving to Egypt. We are giving the Egyptians 600,000 tons, Syria 200,000 - 250,000. I just want you to understand our relative priorities in relation to the populations involved.

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In Pakistan, we hope to have the most constructive talks possible. I hope to pursue the line which we discussed in Peking. Don't believe the statements you read by our Cabinet members. This particular one made two statements, and his second me was worse than the first. In the first he called the Shah "a nut." Then he said he had been quoted out of context, and that only in some circumstances did he consider the Shah to be "a nut." (Laughter)

On oil, we have good relations [with the Shah]. Our negotiations will have a positive outcome.

What is your assessment of South Asia?

Vice Foreign Minister Ch'iao: We have discussed this many times. Our views are similar to yours, although perhaps we view the situation as more serious [than you do].

Secretary Kissinger: Will there be a military outcome?

Vice Foeign Minister Ch'iao: Our feeling is that our friend [the Soviet Union] is more shrewd in his actions than you are. Their activities are more covered up. They make better use of domestic contradictions in various countries. Perhaps you don't pay attention to such things closely enough.

Secretary Kissinger: Perhaps because I know their leaders I don't rate them too highly. My judgment is that they usually prevail with brutality, not cleverness. But this is an interesting point. How do they use domestic contradictions?

Vice Foreign Minister Ch'iao: In one respect they use contradictions between the various countries in the region, especially Pakistan, Afghanistan, and Iran. Don't you feel the question of Baluchistan, promoted by Afghanistan, has gone further than before.

Secretary Kissinger: Not Pushtunistan? I thought ...

Vice Foreign Minister Ch'iao: Openly the Afghanistanis are talking about Pushtunistan, but they also make use of Baluchistan.

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Secretary Kissinger: I'll look into this situation. I'll talk to the Shah when I see him. He has a Baluchi area on his border.

Vice Foreign Minister Ch'iao: Generally I agree with you [about the Sovicts]. They are doing some stupid things. Eventually they will have to resort to brutality, but before they reach this point they take advantage of the situations.

Secretary Kissinger: Is it true that the three Soviet border negotiators have all had nervous breakdowns?

Vice Foreign Minister Ch'iao: That's probably just a story. Didn't you see that our comrade Ilichev, after he returned to Moscow, went to Cyprus?

Secretary Kissinger: He went to Greece also.

I'm tempted to accept the Soviet proposal on a conference on Cyprus just because it is comprehensive. We won't, but you described their situation very accurately.

Chang Han-chih: Yes, the phrase [in Ch'iao's U.N. speech] was they were acting like "ants on a hot pot."

Secretary Kissinger: When Gromyko came [to Washington] he raised the idea of a joint guarantee for Cyprus. I said let's try this on Poland first.

Vice Foreign Minister Ch'iao: Very good idea.

Secretary Kissinger: I hope for your emotional stability that you don't follow the European Security Conference. There is the issue of peaceful change of frontiers -- this is the German problem. We support the German formulation. When Gromyko was in Washington he told us he had said the Germans told him that they would support any position we two could agree upon. I said I would think about it for a few days. I then checked with the Germans. They said they had told the Soviets no such thing.

Gromyko then called me from New York. He said he had a compromise formula which he told me he had checked with the Germans. I then checked with the Germans and they said Gromyko had discussed a different proposal with them.

This is stupid. These little tricks don't bring changes about. A clause in a treaty won't change things.

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Vice Foreigh Minister Ch'iao: Didn't you agree that the last stage of the European Security Conference would be a summit conference?

Secretary Kissinger: We haven't agreed to this. We don't want our European allies to agree and then have us being the only ones who don't agree. So we follow the opinion of Europe. We don't care for such a summit. The idea of 39 heads of state in one room is more than my constitution can bear. They'll all have to talk.

My opinion is that there will be one. (Ch'iao: This year?) No, in March or April next year. That is a guess -- certainly not before.

Now they are debating "Basket Three." That will take six weeks just to state the issues, not even to get into negotiations.

We are not in a hurry. We just don't want the European Security Conference to do any damage. We are passive. We don't want it to do very much.

Vice Foreign Minister Ch'iao: South Asia?

Secretary Kissinger: As I said last year [in Peking], we support Pakistan's territorial integrity. We are arranging to have 300 Pak tanks rebuilt in Iran. We will contribute to the expenses, and the Shah will pay for the remainder. On my visit we will try to arrange for the training of Pak military men on Iranian weapons so that they can be used interchangeably. (To Ambassador Bush:) You are learning more about international politics this evening than you ever did at the U.N. (To Ch'iao:) Senator Fulbright thinks you don't give enough emphasis to the U.N. My staff, when they read a statement in my U.N. speech on torture, said I should apply this criterion to the way I treat my staff. (Mr. Lord: So far there has been no change. [Laughter]) Given our bureaucracy it was a miracle this didn't appear in the final text.

We understand completely your views on Pakistan. Strategically we agree, but practically we have some difficulties which I have described to you. We are thinking of ways to overcome them after November. It is an absurd situation: India, a big country, can import arms in great quantity. But if you supply arms to Pakistan then you are "threatening peace."

Vice Foreign Minister Ch'iao: We have discussed the Subcontinent many times. I don't want to appear to attach too much importance to the situation there. But it is important to you. I discussed this with Senator Jackson.

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He wanted to talk about Diego Garcia. I told him that considering the present situation in South Asia, we understand your position on Diego Garcia. But suppose the Soviets one day realize their ambition of gaining a direct passage into the Indian Ocean. Then Diego Garcia will be of no use.

Secretary Kissinger: There is one point. We think of South Asia as closer to China than to the U.S.

Vice Foreign Minister Ch'iao: Yes, but there is another side to the question. We don't have anything in the Indian Ocean, no fleet. You know that Pakistan for a long time was in an antagonistic position against but we lived through that. Some day the Soviets may control all of South Asia ...

Secretary Kissinger: We would oppose that. I don't say we would approve of such a situation.

Vice Foreign Minister Ch'iao: Even if this happened, we don't think this is the focal point of Soviet strategy. There has been no change in this, they have not shifted [the focal point of their efforts] to South Asia. They can only have one key point. If too many areas are called "key areas," then there will be no key area.

Secretary Kissinger: You see, my education stopped with Kant. So you are ahead of me! (Laughter)

Anyone's strategic situation will be affected by the Soviet situation. If the situation in one area becomes favorable to the Soviets, it can affect anyone's strategic situation, even though the focal point may be in Europe.

Vice Foreign Minister Ch'iao: Specific situations may have changed, but the world situation has remained the same.

Secretary Kissinger: But my point is that if any one country falls to Soviet hegemony it will affect the overall situation.

I agree that Europe is a major strategic concern of the Soviets, but there is nothing in Europe that can't wait for a few years.

Vice Foreign Minister Ch'iao: And what about the East? Isn't it the same?

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Secretary Kissinger: My judgment is that in the East there is greater time urgency for the Soviets.

Vice Foreign Minister Ch'iao: I really don't agree.

Secretary Kissinger: I'd be delighted -- I'm just giving you my assessment. I don't insist on it. It is my genuine belief. But the problem is the same either way. If the Soviets have a strategic success in the East, it will affect the West. If they have a strategic success in the West, it will affect the East. So the situation is the same [for both of us].

Vice Foreign Minister Ch'iao: True. Whatever happens in different areas of the world it will affect other areas. But the focal point is still important.

Secretary Kissinger: Well, we will see in two or three years.

Vice Foreign Minister Ch'iao: Maybe we won't be able to tell in just two or three years.

Secretary Kissinger: Is this glass for mao-t'ai? (The Chinese: It is too big!) We want to torture the Vice Foreign Minister. Because we didn't have a Cultural Revolution our bureaucracy has to make decisions by committee. Winston Lord has formed a mao-t'ai committee. (Laughter)

Mr. Vice Foreign Minister, when you come to Washington we have a superb serving person at Blair House. He has an exquisite sense of timing. He clatters plates just as the toast is being given, especially when an American official is giving the toast. (Laughter)

Ambassador Huang: I had a similar experience in Ghana.

Secretary Kissinger: You were Ambassador to Ghana? (Huang Hua: Yes.)

Mr. Foreign Minister, to your health, to our friendship.

Vice Foreign Minister Ch'iao: You have done outstanding work in the Middle East, but it is only the beginning.

Secretary Kissinger: I agree. The situation is getting more complicated now. I'm going there next week. The next step has to be made with Egypt, then with Palestine, and then with Syria.

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Vice Foreign Minister Ch'iao: We had heard that if it is not possible for you to supply sophisticated weapons to Egypt, then you would give the Soviets a loophole.

Secretary Kissinger: I'll discuss this matter in a smaller group when I am in Peking.

Mr. Foreign Minister, these annual dinners are useful, and pleasant personal events.

Vice Foreign Minister Ch'iao: They are not really annual. This is our second one this year. I think you know that we will welcome you on your visit.

Secretary Kissinger: You mentioned international changes. Of course, we've had internal changes. It was no accident that three hours after taking the oath of office President Ford received the Chief of your Liaison Office. He reaffirmed the continuity of our policy. Tonight I want to reaffirm that continuity. A few years ago we set ourselves certain objectives. Despite changes in the international situation, we will hold to these objectives, including the full normalization of relations.

We have kept in touch with you on major international events. We intend to continue to do this. I look forward to continuing such talks.

I would like to propose a toast: To the friendship of the Chinese and American peoples. To the health of Chairman Mao. To the health of the Premier. (All rise and toast.)

Vice Foreign Minister Ch'ino: Just now you talked about the world situation. As we described it in the Shanghai Communique, we are opposed to hegemony. Last time Doctor was in Peking we elaborated on this point: oppose hegemony. This is our basic principle.

Although domestically the U.S. has undergone many changes, you have told us such changes would not affect our relations. We believe that.

We talked about normalization of relations the last time Doctor was in Peking. You talked with Chairman Mao about this. He said that the Japan formula was the only way we could consider normalization. You asked the Premier at dinner what he [Chairman Mao] had meant by this.

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Secretary Kissinger: I've learned that there is always more to what the Chairman says than appears at first glance.

Vice Foreign Minister Ch'iao: I remember you told the Premier there were "many layers" to what the Chairman says.

I would like to toast to the friendship of the peoples of China and the U.S., and to the continuation of this friendship. To President Ford. We wish to say he is already one of our friends. When he was in China he left a deep impression on us. So let us drink to the health of President Ford -- don't like to toast you as "Secretary of State," I prefer your title of "Doctor."

Secretary Kissinger: That is a more lasting title. (All rise and toast.)

Secretary Kissinger (in German to Ch'iao:) You forgot to toast Ambassador Bush.

Vice Foreign Minister Ch'iao: Doctor just reminded me to toast Ambassador Bush. I forgot...

Secretary Kissinger: I just wanted you to remember him. He's one of our best men. A good friend -- also a Presidential candidate.

Vice Foreign Minister Ch'iao: Ambassador Scali invited me to attend Ambassador Bush's farewell party on the 11th. Unfortunately I'll be leaving on the 8th. So I will take this opportunity provided by Doctor to welcome Ambassador Bush, to drink to the success of his mission. I am sure you will fulfill your mission. I hope you will like Peking. (All rise and toast Ambassador Bush.)

Secretary Kissinger: He could have had any post he wanted. He selected Peking.

Vice Foreign Minister Ch'iao (to Ambassador Bush): How's your mother?

Ambassador Bush: She is fine. She wants to come to Peking at Christmas time to visit her little boy.

(At this point, 10:30 p.m., the dinner conversation broke up and the group retired to the Secretary's living room.)

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Secretary Kissinger: Let's talk a few minutes about your last point.

I want to explore this further. (At this point the serving personnel came in with coffee and liqueurs.) I'll wait until after they have finished serving.

Are they going to have passionate debates in the General Assembly? On Korea, is it possible that our two Ambassadors can work out something as they did last year? Your Ambassador [Huang Hua] is such a master. The Soviets asked me how it was worked out last year on Korea. They still don't understand how you did it.

I don't think you have given us a reply to our last proposal [on Korea].

Vice Foreign Minister Ch'iao: I'll be very frank with you. You wanted us to convey your last proposal to the [North] Koreans. We did this. We didn't received a further response. Finally this question was put on the U.N. agenda. So now we will have a debate with each side speaking on its own spearate views.

Secretary Kissinger: I understand. Didn't we have a debate last year?

(Huang Hua: In the First Committee.) The question is whether we can have some way of eliminating the United Nations Command without abrogating the Armistice. This is basically what we are after.

Vice Foreign Minister Ch'iao: Do you have any specific form in your mind?

Ambassador Habib: Our proposal is that the Armistice in its present form be maintained, with South Korea and the U.S. ...

Secretary Kissinger: Yes, with the People's Republic, which is already a signatory, and North Korea on the other side.

Vice Foreign Minister Ch'iao: You understand that we keep on good relations with the Democratic People's Republic of Korea. On this issue we have to respect their views. Of course if your have more detailed views, more comprehensive views on this question, we will convey them to them.

Secretary Kissinger: Our problem is that we cannot accept abolition of the United Nations Command if there is no legal basis on both sides for the continuation of the Armistice

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For your information, we have had several approaches from North Korea -- from the Romanians, the Egyptians, even David Rockefeller, he is perhaps the largest power involved (laughter) -- but we can't respond to their initiatives until the issue of the U.N. Command is resolved. In principle we are not opposed [to having contact with them]. You can convey this to them.

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Vice Foreign Minister Ch'iao: Regarding all these details on the Korean question, we don't feel they are of great significance. As you know from your discussions with Chairman Mao, this is not a major issue if you look at it in terms of the overall world situation.

Secretary Kissinger: As I told the Chairman and the Premier, we are not committed to a permanent presence in Korea. This is not a principle of our foreign policy. But we also don't want the speed of our withdrawal to create a vacuum into which some other power might project itself.

Vice Foreign Minister Ch'iao: It seems as if Japan does not feel the behavior of [ROK President] Park is satisfactory.

Secretary Kissinger: I wouldn't pay too much attention to that.

Ambassador Habib: There has been no major change in their relationship.

Vice Foreign Minister Ch'iao: True. Japan's policy regarding Korea is formulated according to many considerations.

Secretary Kissinger: But any sudden change in Korea could stimulate Japanese nationalism. You have to watch that former student of mine, Nakasone.

Vice Foreign Minister Ch'iao: How is it that you have so many bad students?

Secretary Kissinger: Like Ecevit.

Vice Foreign Minister Ch'iao: History will lay [responsibility for] all this on your shoulders! (Laughter)

Secretary Kissinger: Should Scali be in touch with Ambassador Huang Hua? Will there be confrontations?

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Vice Foreign Minister Ch'iao: There will be confrontations, but it can also be said that there will not be confrontations.

Secretary Kissinger: But we know the vote. We don't care about the speeches. Ambassador Huang can perhaps create diversions.

Ambassador Huang: The differences in this respect are too great. It is beyond my capability [to resolve them].

Secretary Kissinger: Perhaps you can consider this [matter further]. We attach some importance to this question.

Vice Foreign Minister Ch'iao: I don't think it will bring any complications if the resolution [favorable to North Korea] passes.

Secretary Kissinger: But if it does, it will create complications in Korea, in Japan, or elsewhere.

Vice Foreign Minister Ch'iao: I met Foreign Minister Kimura [in New York]. We touched on this question, although we didn't go into any details. We'll wait a little while and see how the situation develops.

I want to repeat this -- I wasn't using diplomatic language: We keep on good relations with the Democratic People's Republic of Korea. This is mainly their position. This is not just a matter of just what China wants.

Secretary Kissinger: We have our Korean friends too. But if we have a general understanding then we can influence the situation.

We have reports that you may be interested in contacts with South Korea.

Vice Foreign Minister Ch'iao: They may not be accurate.

Secretary Kissinger: Let us return to the topic in your toast.

On my visit to Peking I want to talk more concretely about this issue, and work out a timetable. We think late 1975 or early 1976 would be a relatively good time for the completion of this process. But we are prepared to discuss its precise nature beforehand.

We understand your basic position. Your basic position is that normalization should be on the Japanese model. But as you correctly pointed out,

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there are many layers of meaning. In particular, our conditions are not the same as Japan's. The history of our relations [with the Republic of China on Taiwan] are not the same, our internal situation is more complicated, and our legal requirements are complex. We want to move so that our public opinion does not have a bad feeling about our relations with China.

In general, given our concern with hegemony, it is important that we not be seen as throwing our friends away. I am now giving you our considerations, not a specific proposal.

As I interpret the Japanese formula, this would involve us having embassies in our respective capitals. There would be no embassy in Taipei. Ambassador Unger would then be unemployed. (Laughter) One point which Chairman Mao mentioned intrigued me. We understand that there would be no ambassador in Taipei, but he mentioned that there were ambassadors of the Baltic states in Washington and that this wasn't a situation of any importance.

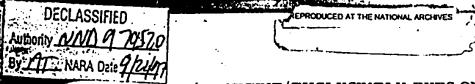
Vice Foreign Minister Ch'iao: It is my understanding that Chairman Mao talked about this mainly as part of a discussion of political subjects. It was not closely related [to the discussion of normalization].

Secretary Kissinger: Not exactly, but it puzzled me. That's why I asked [about his remark].

Vice Foreign Minister Chiao: I remember that Chairman Mao discussed with you that whether or not we have formal diplomatic relations is not so important. We have diplomatic relations with India, but our relations with them are cold. With you, although we have no diplomatic relations, our contacts are warm. We can either solve this problem, or just leave it as it is. But concerning our relations, if you wish to solve this problem there is only one model, the Japanese model.

Secretary Kissinger: Let me ask two questions. First, you say that the quality of our relations does not depend on whether we have solved this problem. Whether we have liaison offices or embassies, our relations depend on other problems.

Vice Foreign Minister Ch'iao: I remember in your discussion with Chairman Mao this was also touched upon. The major basis of our relationship is that we seek common ground on international problems. Of course



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in our relations this problem [of Taiwan] lies between us. Diplomatic relations are affected by this situation, but it is not of too great significance. (Secretary Kissinger: We don't have...)

For example, you started your visits to Peking in 1971. In 1972 you came with President Nixon. Then in 1973 we made further progress, but we still have this issue [of Taiwan]. So our relations do develop to a certain extent, but then we do confront this question. As this problem does exist, when you think of a timetable, then there is the question of the Japanese model. So I believe that in April, Vice Premier Teng Hsiao-p'ing mentioned that there were two aspects to our position: We hope that our relations can be normalized; but we are not in a hurry.

When Senator Fulbright visited China he asked this question: Can we have further development of our relations? As far as our relations are concerned, before normalization our relations will meet some obstacles. When I was discussing this issue with Senator Fulbright I gave an example. Each year I come to the United States, but I can only go to New York, not to Washington. (Secretary Kissinger: I'll lift the travel restriction on you. [Laughter]) He invited me to Washington. I said I can't come because Chiang Kai-shek has an Embassy there. (Secretary Kissinger: You know that President Ford would welcome a visit by you. You could just come from the airport directly to the White House and then back again if you wished.) Thank you, but I think President Ford will understand my problem.

Secretary Kissinger: Let me tell you our problem. We are in no hurry either. The question is whether our difficulties are ripe for overcoming. We see several problems. First, what sort of office we will maintain in Taipei after normalization. One obvious possibility is a liaison office there, which has the additional advantage that for the first time in four years we would do something which Senator Jackson can't oppose.

Vice Foreign Minister Ch'iao: This idea was his own. He did not talk with me about it, or with the Vice Premier. After he left China I read this [proposal of his] in the press. I was quite surprised.

Secretary Kissinger: Another possibility is a consulate. But we have a second problem which is more difficult. The defense relationship. We clearly cannot have a defense relationship with part of a country -- at least we are not aware that you can. (Laughter)

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Vice Foreign Minister Ch'iao: You can create this.

(A secretary enters the room and hands Secretary Kissinger a message.)

Secretary Kissinger: Please excuse me for five minutes. This is the second call I have had from the President tonight. He's about to go to bed. (The Secretary departs the room for about ten minutes.)

Vice Foreign Minister Ch'iao (to Ambassador Bush): When are you going to Peking?

Ambassador Bush: On the 15th. My wife is now studying Chinese at the Foreign Service Institute. She talked to Huang Chen in Washington and used some of her Chinese. He laughed, and she thought it was a compliment. (Laughter) When will you be going?

Vice Foreign Minister Ch'iao: On the 8th.

Mr. Lord: Will you be going to Germany?

Vice Foreign Minister Ch'iao: Yes. I'll be there [in Peking] to greet Ambassador Bush. I will toast you (to Ambassador Bush).

Ambassador Bush: I have a weak stomach, and can't drink too much.

Vice Foreign Minister Ch'iao: Ambassador Bruce came to enjoy mao-t'ai -- with beer.

(There was then some light discussion about the visit of the Fulbright delegation to China, including Senator Humphrey's late night swim in West Lake at Hangchow.)

Ambassador Bush: These Congressmen must be confusing to you. (Ch'iao: Not very much.) They come back and argue among themselves -- they loved the warm hospitality, the food, and then they come back and argue about what they should have said.

Vice Foreign Minister Ch'iao: We are happy to have the opportunity to meet American friends of different views.

(The Secretary re-enters the room.)

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Ambassador Huang: Ambassador Bruce is now in the United States? I met General Haig at the President's United Nation reception.

Secretary Kissinger: Yes. We will have a strong NATO team. Two close personal friends [will represent us there].

The President sends his warm regards to the Chairman and to yourself [the Vice Foreign Minister]. He apologizes for interrupting me.

We had just reached the interesting legal question [before the telephone call interruption] of how to have a defense treaty with a portion of a country. This would be an interesting question for Ambassador Huang Hua to present to the U.N. It would call on all his subtlety. (Laughter)

Let me discuss our problem. We obviously can't -- our problem is how to present a new relationship with you where we have not just abandoned people who we have had a relationship with, for whatever reason -- to ensure a peaceful transition. This was emphasized by Chairman Mao and the Premier in our talks.

We have to keep in mind that what has distinguished our relationship from that which we have with the Soviets is that there is no organized opposition. There is no Senator Jackson on China policy. It is not in our interest with respect to the hegemonial question to make our relationship controversial. If it will, then it is best to defer [the issue of normalization] for a while. This distinguishes us from Japan.

So there are two issues of principle: the nature of the office we will maintain [in Taipei]; and the nature of the guarantee for a peaceful transition.

Vice Foreign Minister Ch'iao: On the question of a peaceful transition on Taiwan, maybe your understanding is different than mine. In our view these are two different problems: the Taiwan question and relations between our two countries, and then our relations with Taiwan. Our idea is to separate these two questions. As for our relations with Taiwan, as Chairman Mao said, the main idea is that we don't believe in the possibility of a peaceful transition. But in our relations with the United States, that is another question.

Talking about a peaceful transition, there are also two aspects. That is, at present our [U.S.-PRC] relations, now you recognize Taiwan ...

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Secretary Kissinger: That is why when our [domestic] transition came, the President received the Chief of your Liaison Office, while the Deputy Secretary of State received the Ambassador from Taiwan.

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Vice Foreign Minister Ch'iao: I'm not finished. The transition in our relations can be smooth. But the possibility for a smooth transition in our relations with Taiwan is very small. I recall that this was the focal point in your discussion with Chairman Mao.

Secretary Kissinger: But I recall that he said the transition [in PRC relations with Taiwan] could take a hundred years -- by then Bush will be Secretary of State. (Laughter)

Let me sum up your points: The transition in U.S.-PRC relations will go smoothly. As for the transformation of the form of government on Taiwan, this will be over a long period. It does not have to occur immediately, but it isn't likely to be smooth. Do I understand your position correctly. (Ch'iao: Yes.)

Then why don't we consider these problems further, and then discuss them in Peking.

There's one other question on which I wanted the Vice Foreign Minister's views, Cambodia. You agree that we should postpone debate for a year? (Ch'iao: We can't have our way.) I feel sorry for the Vice Foreign Minister surrounded by so many small, intractable countries. He can only have his way with the great powers. What would he do if a hundred Laotian elephants headed north? (Laughter)

The Ambassador (Huang Hua) should take a vacation, visit his family. He is so subtle that he cuts you but you don't know it until you have moved your limb. (Laughter)

Vice Foreign Minister Ch'iao: Let's think of this problem another way. Sooner or later the Lon Nol government will quit the stage. (There is some discussion of how to best translate the Chinese phrase to "quit the stage." The Secretary says there is no elegant way to translate the idea. Everyone laughs.) That is to say, the U.N. debate is something that neither of us can control. So if the GRUNK is admitted, Lon Nol will be expelled. Why not let it happen? It will pave the way for you in solving this problem.

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Secretary Kissinger: Especially as there are not many royal governments in Peking nowadays.

What is your idea -- this is not a proposal -- in order to end the war in Cambodia, to convene an Asian conference, including the People's Republic, the United States, the Soviet Union, Japan, and Cambodia, to solve the problem.

Vice Foreign Minister Ch'iao: At the present moment I don't see what benefit such a conference would bring.

On this question, I'd go back and say that we have spent too much time settling small old problems which are a legacy of the past. As for yourself, you spent so much energy on Vietnam and finally a settlement was reached. Now there is Cambodia.

What I now say may turn out to be only empty words, but in my view the final result [of the present situation in Cambodia] is clear, it is only a matter of time. You see you solved the Vietnam question, and now only Cambodia is there each year as an obstacle. So now this question is not worthwhile, but it doesn't matter very much. Events have their own laws.

Mr. Solomon, didn't Fulbright raise this question?

Mr. Solomon: No.

Ambassador Huang: You discussed Vietnam with him.

Vice Foreign Minister Ch'iao: I said [to Senator Fulbright] that your aid [to Vietnam] was a mountain, while ours was a small hill. I told Fulbright that on the whole we took a restrained attitude [toward the Vietnam situation].

Secretary Kissinger: Our attitude is that we are prepared to restrict our military aid to replacements.

We believe we should announce my trip to the People's Republic when I return from India -- about November 8. I'll be in touch with the Ambassador.

Vice Foreign Minister Ch'iao: On these technical issues we don't have many problems.

Secretary Kissinger: Are there any questions I haven't raised?

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Mr. Lord: Our European relations are better than they were in April.

Secretary Kissinger: You said last time that we were too harsh on the Europeans. Our relations are better.

Vice Foreign Minister Ch'iao: We have seen this. I think you remember that Chairman Mao also wished that you remain longer in Japan.

Secretary Kissinger: I never thought I'd hear him say that!

<u>Vice Foreign Minister Ch'iao:</u> So we are glad to see that; in comparison to April, you have improved your relations with Japan and with Europe. You had talks with Heath?

Secretary Kissinger: Yes. He was very impressed with his trip to China. I bought him a Chinese antique bowl as a present.

<u>Vice Foreign Minister Ch'iao:</u> Do you think he will lose [the upcoming elections]?

Sccretary Kissinger: I'm afraid so. We have particularly strong relations with the Conservative leaders, although the Labor leaders are easy to get along with on a day-to-day basis.

Vice Foreign Minister Ch'iao: Many thanks for your hospitality this evening. I can only reciprocate in Peking.

(At this point, 11:35 p.m., the Chinese got up to depart. They were escorted to the elevator by the Secretary and the other American participants where final farewells were expressed.)

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